

THE ARTS EDUCATIONAL SCHOOLS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

Company Number: 00712444
Registered Charity Number: 311087

**THE ARTS EDUCATIONAL SCHOOLS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

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**THE ARTS EDUCATIONAL SCHOOLS
PATRONS, TRUSTEES, OFFICERS AND ADVISORS
FOR THE YEAR ENDED 31 AUGUST 2025**

President	Lord Lloyd-Webber	
Vice Presidents	Robert Powell David Grindrod Sharon D Clarke	
Patrons and Artistic Creatives	Don Black, OBE Sir Matthew Bourne, OBE John Brant Chrissie Cartwright Anthony Cherry Bill Deamer Janie Dee Mike Dixon Anthony Drew Nigel Havers David Howe Rachel Kavanaugh	Mary King Nigel Lilley Lynette Linton Robert Lindsay Lesley Manville Stephen Mear Sir Trevor Nunn Arlene Phillips Mark Shenton George Stiles Ian Talbot Roy Williams

Trustees

Claire Blunt (Chair) (appointed 31 March 2025)	Laura McGaughey (appointed 22 April 2025)
Ann Cottis	Farida Mannan
Stephen Denyer (resigned 31 March 2025)	Robert Mathieson
Cherry Dickins	Richard Nicholson (appointed 22 April 2025)
Benjamin Gudgeon	Ruth Mundy
Sarah Hopwood (appointed 22 April 2025)	Ruth Whittaker (appointed 5 June 2025)
Brenlen Jinkens (resigned 2 December 2024)	Matthew Wilson (appointed 22 April 2025)
Joanna MacDonnell	

Officers

Principal

From 1 September 2024 to 30 June 2025 the institution was led by an Interim Executive Leadership Team comprising of Alexander Gillespie (Finance Director), Jonathan O'Boyle (Director of the School of Musical Theatre) and Peter Middleton (Head Teacher). Louise Jackson was appointed as Principal on 1 July 2025.

Company Secretary

Alexander Gillespie

Registered office

Cone Ripman House
14 Bath Road
London
W4 1LY
Website: www.artsed.co.uk

**THE ARTS EDUCATIONAL SCHOOLS
PATRONS, TRUSTEES, OFFICERS AND ADVISORS
FOR THE YEAR ENDED 31 AUGUST 2025**

Auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

Lloyds Bank Plc
St Mary's Court
100 Lower Thames Street
London
EC3R 6HX

Insurance brokers

Marsh Limited
Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex
RH16 3SY

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025**

REFERENCE AND ADMINISTRATIVE INFORMATION

The Arts Educational Schools ('the Trust' or 'ArtsEd') is a company limited by guarantee not having a share capital (company number 0712444) and is registered as a charity (registered charity number 311087). The Trustees and executive officers of the Charity are as listed on page 1. Particulars of the Trust's registered office which is also the main place of business and details of the professional advisers are given on pages 1 and 2.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Trust is governed by its Memorandum of Association dating from 1962, Articles of Association last amended in 2025.

Method of Recruitment and Appointment of Trustees

The Trustees of the Charity are the Trust's directors for the purposes of the Companies Act. In accordance with the Articles, the Trustees of ArtsEd may recommend individuals to be appointed as new Trustees and the Members (i.e. those who are "Members" for the purposes of company law as set out in the Articles) can also nominate individuals. Candidates are interviewed, and if appropriate put forward for election by the Trustees. The new Trustees are then appointed formally. In practice the Board will encourage the Principal, and other connected parties to suggest the names of potential candidates.

The Board carries out regular reviews and skills audits to identify the appropriate mixture of skills and experience required to manage the multi-faceted affairs of ArtsEd which is also a registered charity, a company limited by guarantee, a medium sized business, and a local employer with over 200 employees. The governing body comprises 13 independent members who are not employed by the Trust and have no material financial interest. Their presence ensures effective oversight, challenge and accountability in line with the Office for Students' regulatory expectations under Condition E7.

We devote a good deal of thought to succession planning and keep a register and skills matrix of the mixture of skills and professional backgrounds represented on the Board. Our aim is to achieve a balanced Board with a core of individuals with educational, legal, accountancy, finance, property management, business, marketing and performing arts industry backgrounds. We review this balance regularly. Our Articles specify that there should be a minimum of 5 and a maximum of 15 Trustees on our Board. Trustees may serve up to three terms of three years and shall serve for no more than nine years.

The current Trustees are:

Claire Blunt	(appointed 2025)	
Ann Cottis	(appointed 2017)	Re-elected April 2023
Cherry Dickins	(appointed 2022)	Re-elected July 2025
Benjamin Gudgeon	(appointed 2022)	Re-elected July 2025
Sarah Hopwood	(appointed 2025)	
Joanna MacDonnell	(appointed 2022)	Re-elected July 2025
Laura McGaughey	(appointed 2025)	
Farida Mannan	(appointed 2022)	Re-elected July 2025
Robert Mathieson	(appointed 2017)	Re-elected April 2023
Ruth Mundy	(appointed 2021)	Re-elected January 2025
Richard Nicholson	(appointed 2025)	
Ruth Whittaker	(appointed 2025)	
Matthew Wilson	(appointed 2025)	

Policies and Procedures adopted for the induction and training of Trustees

All new Trustees are given a tour of the school and the chance to meet staff and students. All Trustees are provided with copies of the policies, procedures, minutes, accounts, budgets, plans, an induction pack and any other documents they need to undertake their role as Trustees. Trustees are encouraged to attend training courses and seminars arranged by the Association of Governing Bodies of Independent Schools (AGBIS) and other professional providers, such as law and accountancy firms in order to reinforce their awareness of their varied duties and responsibilities. Trustees also receive mandatory training on Trustees' Roles and Responsibilities, KCSIE and Prevent.

Organisational Management

The Trustees are legally responsible for the overall management and control of the Schools and meet at least three times a year. The day-to-day responsibilities are delegated to the Principal. The Board has six sub-committees which meet as follows:

- The Compliance and Risk Management Committee meets three times a year to review the institution's approach and response to risk and compliance.
- The Finance and Audit Committee meets four times a year to review financial operations.
- The Nominations and Remuneration Committee meets twice a year to review recruitment and succession within the Board of Trustees and the remuneration of senior positions.
- The Welfare, Safeguarding and Health and Safety Committee meets three times a year to review institutional safeguarding and health and safety.
- The Day School Sixth Form Committee meets at least once per term to review governance of the School.
- The Higher Education Committee meets at least once per term to review all HE Programme

All meetings of the Trustees are attended by the Principal together with other senior staff as may be required for that meeting. Specially convened meetings of staff and Trustees are arranged from time to time on topics of strategic interest. Trustees often attend performances and meetings with external partners.

Schools Structure

ArtsEd comprises the Day School (Day School for 11-16 and Sixth Form for 16-18), the School of Musical Theatre and the School of Acting. In addition, ArtsEd Extra offers provision to the local community. These departments are supported by the Finance, Facilities, HR, Production, Academic Management, Communication and Development teams and other administrative and support services.

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2025**

Senior Leadership Board

The Senior Leadership Board for the year ended 31 August 2025 comprised:

- Louise Jackson, Principal (appointed 1 July 2025)
- Frank Daniel, Head of Facilities
- Fela George, Interim HR Director
- Alexander Gillespie, Finance Director
- Peter Middleton, Headteacher
- Jonathan O'Boyle, Director – School of Musical Theatre
- Kim Vithana, Director – School of Acting (resigned 7 October 2025)

Following the resignation of the former Principal in July 2024 the Board of Trustees appointed an Interim Executive Leadership Team consisting of the Finance Director, The Director of the School of Musical Theatre and the Headteacher. The Interim Executive Leadership Team remained in situ until Louise Jackson was appointed as Principal on 1 July 2025. The Principal, after appointment, elected to pause the activities of the Senior Leadership Board and appointed an interim Senior Executive Team in its place (ratified by the Board of Trustees) consisting of the Finance Director, The Director of the School of Musical Theatre and the Headteacher.

Pay Policy for Senior Staff

The Trustees consider that they, together with the Senior Leadership Board, comprise the Key Management Personnel. The Trustees give of their time freely. Annual salary increases for all staff are approved by the Trustees. The pay and remuneration of the Principal and senior staff is kept under annual review. Criteria used in setting pay includes:

- nature of the role and responsibilities
- trends in pay
- affordability.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects for which the Trust is established are to promote the advancement of education and in connection therewith in particular to acquire, establish, provide, conduct, and carry on residential and non-residential schools in which children and students may receive a general education in conjunction with a specialised education for students desiring to follow a career in or connected with the performing arts.

Aims and intended impact

ArtsEd's aim is to provide a first-class education through strong vocational and general education and through developing wider artistic and social skills in all its pupils and students. Each pupil or student is encouraged to develop and fulfill his or her potential, promoting self-confidence and desire to contribute to the wider community.

Objectives and Activities

ArtsEd's mission is to deliver successful and fulfilling careers for all our students and staff. This mission is at the core of all decision making and ensures that students and staff are central to strategic planning.

Strategic Aims

- Provide outstanding education and training
- Widen participation and encourage a diverse student intake
- Exploit our growing reputation
- Increase our emphasis on staff development and engagement
- Foster a culture of philanthropy
- Develop the building and its facilities to enhance the student experience
- Sustain the financial health of the Schools while allowing for investment in new initiatives

Key Strategic Objectives

- To provide exceptional learning opportunities that enable all pupils and students to realise their individual potential
- To review the delivery and relevance of all our education and training
- To evaluate how student development and achievement is enabled through robust quality assurance and enhancement
- To retain and progress talented staff through development, staff wellbeing and performance management, to enable them to realise their full potential
- To ensure that all staff and Trustees fulfil their obligations and deliver the highest standards in relation to safeguarding
- To provide excellent pastoral care
- To market ArtsEd as the destination of choice for a successful and fulfilling education and career
- To develop our distinctive brand identity as the leading force in Musical Theatre training
- To continue to maintain strong relationships with the industry
- To build philanthropic and public support for student scholarships, the Student Support Fund and the capital campaign
- To provide facilities that are fit for purpose, through effective maintenance and refurbishment programmes, space planning and facilities management
- To achieve the required level of operational surplus to meet ongoing investment requirements and provide contingency against unanticipated adverse developments
- To achieve maximum cost efficiency and value for money in all operations
- To sustain our cash flow and liquidity to ensure financial sustainability
- To monitor fee levels across the sector to ensure that we remain competitive

PUBLIC BENEFIT

The Trust provides a public benefit by providing first class independent education and vocational training, both through strong teaching and through developing wider artistic and social skills in all its pupils and students. This is intended to provide an environment where each student can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Grants and bursaries, provided by the Trust, enable those who cannot afford to pay the full fees, to benefit from an ArtsEd education. Students are also able to apply for the Dance and Drama Award (DaDA) scheme which is provided by the Education and Skills Funding Agency. This allows the most talented students from a broad range of backgrounds to benefit from the training which ArtsEd offers.

The school encourages the local community to hire the Andrew Lloyd Webber Foundation theatre and other spaces for their own activities.

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In addition to the above, ArtsEd undertook the following activities:

- Audition fee waivers are available to applicants from disadvantaged backgrounds.
- The School gave free use of its theatre to the Chiswick Book Festival
- The School gave free use of its facilities to the Bedford Park Society
- The School supported the Bedford Park Festival
- ArtsEd Extra undertook outreach activities in the local community

The Trustees have given consideration to the Charity Commission's general guidance on public benefit, and in particular to its supplementary public benefit guidance on advancing education, and have concluded:

- that there are clearly identifiable benefits from the Schools' work which relate directly to their aims as set out above;
- there is no significant detriment flowing directly from the Schools' work which we consider needs to be balanced against those benefits;
- that the benefits which the Schools provide are widely available to the public.

REGULATORY COMPLIANCE

The summary findings from the Rezaie review (that took place in the 2023/24 year) were published in July 2024.

The 2024/25 was a transitional year, during which the institution was led by an Interim Executive Leadership team until 30 June 2025. On 1 July 2025 Louise Jackson was appointed as Principal.

During 2024/25 the following work was undertaken in relation to regulatory compliance, and in response to the findings of the external investigation:

1. An institutional staff survey was launched.
2. HR policies and procedures were reviewed and updated.
3. The Articles of Association were amended, removing the requirement for the Principal to be appointed as a Trustee.
4. Several new Trustees were recruited, alongside a review of the skills matrix of the Board of Trustees.
5. An institutional stabilisation project was launched by the new Principal, focused on all key strands of the business, in advance of launching a new Strategic Plan in late 2026.
6. The security and safeguarding arrangements for the building, in particular in relation to external hirers have been reviewed and arrangements updated.
7. Undertook Institutional training on EDI.

The Institution continues to monitor and update all Policies and Procedures for appropriateness.

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STRATEGIC REPORT

**REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR
Student and Pupil numbers**

	2024/2025	2023/2024
Applications received		
Musical theatre (3 year BA)	1,453	1,241
Acting (3 year BA)	908	830
Acting (1 year MA)	262	212
Applicants auditioned		
Musical theatre (3 year BA)	1,203	1,023
Acting (3 year BA)	372	300
Acting (1 year MA)	123	120
New student intake		
Musical theatre (3 year BA)	53	53
Acting (3 year BA)	33	34
Acting (1 year MA)	28	29
Total students (at year end)		
Musical theatre	190	170
Acting	149	151
Total	339	321
Pupils (including "A" Level)		
Applications	294	317
Acceptances	119	106
Total number of pupils at year end	<u>286</u>	<u>286</u>

ArtsEd continues to maintain high standards across its range of activities and to sustain stable pupil and student numbers and these are more fully described for each of the schools below.

The Trustees would like to thank all staff members for the continuing success of ArtsEd, for achieving such excellent academic results and for the continued stability in the financial results.

DAY SCHOOL AND SIXTH FORM

We believe that students, and their parents, should be given the assurance that they will achieve to the very best of their potential. At ArtsEd this is achieved in both the academic and vocational aspects of the 'ArtsEd Curriculum' through the excellence of teaching and learning; fundamentally, this is set within an environment where pastoral care is at its heart and that is inclusive, nurturing and enables all our students to thrive.

This is reflected in our strong academic results that show significant added value throughout each student's journey at the School. There are small class sizes which enable us to know the individual student and develop highly productive working relationships between students and teachers. We are an academically non-selective school with a collaborative ethos that instils a sense of self-belief in our students which, when combined with the very significant levels of personal development, undoubtedly create the foundations for their academic success.

This ethos within our school, coupled with small cohort sizes (number of students in Year 11: GCSE - 30; Year 13: A level - 9 and BTEC - 62), means that at ArtsEd a smaller number of students in Years 11 and 13 sit public examinations than in most other schools; we also have a much wider spread of talent and ability across the academic and vocational courses. Consequently, it is inevitable that there will be fluctuations in the overall results of different cohorts; combined year group outcomes do not show the programmes of personalised support for individual students, nor do they reflect the significant progress made by them.

The results at ArtsEd reflect the quality of teaching and learning, the ability of our students and their commitment to achieving their best throughout the time they are with us. At the heart of supporting the successes this year is our unique 'ArtsEd Curriculum' – where vocational training of the highest quality is rooted and integrated within the academic programme. This was recognised by the Independent Schools Inspectorate in the most recent inspection, when they awarded the School the highest accolade – an area of significant strength:

'The standards that pupils achieve in performing arts, in line with the school's expressed aims, are a significant strength of the school.'

ISI Inspection Report 2024

'Leaders plan a curriculum through which pupils study a wide range of academic and vocational subjects. Pupils develop linguistic, mathematical, scientific and technological skills. Leaders strategically plan ahead and adapt their curriculum in the light of the changing demands of the world of performing arts.'

ISI Inspection Report 2024

The 2025 results for our Year 11 and 13 students were a wonderful recognition of their endeavours.

Year 11 Results

GCSE courses start in Year 9, and students typically take 9 GCSEs; additionally they have their own chosen vocational pathway lessons in dance, drama or musical theatre. Core subjects are English Language, English Literature, Mathematics and Combined Science Trilogy. Subject to meeting key criteria, there is also the possibility to sit an additional GCSE in a language in which they are fluent.

In 2025, Year 11 students produced a record-breaking set of results – they eclipsed those of 2019 when the School achieved its previous best set of results since GCSEs were reformed. 15% of all grades awarded were

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grade 9 – (up 6% on 2024 and 5% better than 2019); 48% of grades awarded were 9 - 7 (up 2% on 2024 and 5% better than 2019).

Value-added' analysis in 2025 showed that on average each Year 11 student achieved nearly 1 grade (0.9) higher in each subject than their cognitive abilities test scores indicated:

All GCSEs	2025 %	2024 %
9	15	9
9 – 8	30	25
9 – 7	48	46

Year 13 Results

Our Sixth Form students can take one of three different pathways: A levels, BTEC, or uniquely a combination of both. Those on the A level pathway usually start with up to 4 A levels. This year, the majority of students studied the BTEC pathway, which is the BTEC Level 3 Extended Diploma in Performing Arts Practice (Acting/Musical Theatre/Dance) and is the equivalent of 3 A levels; in addition, a significant number of these BTEC students also chose to study 1 or 2 A levels.

This year's Year 13 produced some superb results. The BTEC Level 3 Extended Diploma has three main specialisms in the Performing Arts: Acting, Dance and Musical Theatre. There were some outstanding results in these vocational courses, where Distinction* (D*) is the equivalent to an A* at A level; Distinction (D) is an A grade; Merit (M) is a B grade. 66% of students achieved D*D*D* (A level equivalent of 3 A* grades), 89% achieved DDD or better (equivalent to AAA at A level), and all our BTEC students achieved at least DMM (ABB):

	BTEC %	
	2025	2024
D*D*D*	66	69
D*D*D* -D*D*D	74	77
D*D*D* - D*DD	86	85
D*D*D* - DDD	89	90

There were some excellent A level outcomes with 26% of grades awarded at A*-A, and a number of students achieved at least one A*:

	A level %	
	2025	2024
A*	10	10
A* - A	26	26

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When the BTEC and A level results are combined, the overall number of top grades in A level (A*) and BTEC (D*) was up 5% to 55%. The A*- A / D*- D rate was 74% (up 6%) and A*- B / D*- M rate was 89% (up 1%)

	A level and BTEC combined %	
	2025	2024
A* / D*	55	50
A*- A / D* - D	74	68
A*- B / D* - M	89	88

These results were outstanding and enabled this multi-talented year group to move on to leading conservatoires and institutions in the UK and abroad, or into the industry. This year's destinations included:

- | | |
|--|--|
| ArtsEd | New York Film Academy |
| BIMM University London | Nottingham Trent University |
| Bird College | Oxford School of Drama |
| Boston Conservatory at Berklee | Oxford Brookes University |
| Brunel University | Royal Central School of Speech and Drama |
| Emil Dale | Royal Holloway |
| Guildford School of Acting | Royal Northern College Of Music |
| Institute of the Arts Barcelona | Royal Welsh College of Music and Drama |
| International College of Musical Theatre | The Lee Strasberg Theatre and Film Institute |
| Italia Conti | The Place |
| Kingdom School of Art | The Wilkes Academy |
| Kingston University | Trinity Laban |
| LAMDA | University College London |
| University of Leeds | University of Bristol |
| London Film Academy | University of Edinburgh |
| London Studio Centre | University of Exeter |
| Mountview | University of York |

POST-18 PROVISION

As one of the UK's leading centres of conservatoire education, ArtsEd is proud of its reputation as a provider of world-class, contemporary training. Our Musical Theatre course is consistently recognised as the best in the UK, and one of only a handful which can genuinely claim to produce 'triple threat' performers. Our 3-year Acting course is leading the way in delivering a robust, inclusive, skills-based actor training, focusing on new thinking in response to the rapidly evolving world of the arts and culture.

Based on a range of evidence, including graduate destinations, external reports, feedback from students and industry professionals, annual evaluation, and internal self-assessment, we believe our overall effectiveness to be outstanding. We report a variety of statistical data to the Higher Education Statistics Agency (HESA) including for the Destination of Leavers from Higher Education survey, which calculated that 100% of our graduates go on to work or further study.

Our graduate destinations are outstanding. Each year ArtsEd graduates can be seen performing in commercial theatres in the West End and on tour, as well as appearing in television dramas and feature films.

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A number of regulatory, accrediting and validating bodies have oversight of our provision (both HE and FE), and reports from these provide assurance of the quality and relevance of our provision:

- Extremely positive reports from City St George's University, Trinity and graduate outcomes have confirmed DaDA funding for 2025/26.
- During our Ofsted inspection (DADA HE Provision) we received "Outstanding" in all areas – November 2024.
- We are accredited by the Council for Dance, Drama and Musical Theatre.
- We are a founder member of the Federation of Drama Schools.
- Our provision meets the guidelines set by Equity and Spotlight for conservatoire training.

We can therefore be confident that our content and our curricula remain relevant, the standards of teaching and learning remain very high, with high expectations for what all learners can achieve, and that our education and training provides each student with the best possible preparation for a successful and fulfilling career.

The Institution continues to attract highly skilled and expert practitioners with a wealth of relevant subject knowledge to teach at ArtsEd, both as regular tutors and visiting creatives. In Year 1 the majority of teaching is undertaken by core in-house staff to encourage confidence, generosity to the ensemble, and to allow students the time and support to develop a broad range of technical skills before testing them against industry standards. As the courses progress, through projects, public productions and professional practice modules, students are introduced to a wide range of practitioners, directors and creatives, including leaders in their field as well as emerging artists. The experience of working with these people develops students' skills and confidence and allows them to build up a broad portfolio of professional contacts in preparation for entry to the industry. This combination of rigorous technical training from in-house staff, and the experience of working with a huge variety of industry professionals, is a key strength of teaching and learning at ArtsEd.

ArtsEd is noted in the industry for our success in attracting and retaining a particularly diverse student body, over one third of our students come from Black, East Asian, South Asian, and other under-represented Ethnic groups. We continue to address under-representation and lack of diversity in UK drama schools in our student population, permanent staffing and the creative practitioners we bring in to work with us. We are committed to maintaining our strength in this area, improving diversity of all kinds over the coming years.

Our commitment to inclusivity is apparent in a warm and welcoming environment, with a strong attention on the development of the individual. The pastoral care that is a core aspect of our provision is rooted in the expertise of our staff and is driven by the belief that a person's wellbeing is core to their success. Training is undertaken each year to update and allow us to critically reflect on our provision and practices. Extensive performance experience gives staff an understanding of the rigours and demands of the industry and the ability to inspire resilience alongside expertise. This is an essential element in creating graduates who are confident, resourceful and committed performers, well prepared to enrich and influence the creative industries in the UK and beyond.

Diversity statistics

23% of the new 2025/26 intake of students (all higher education courses) are Black, East Asian, South Asian, and other under-represented Ethnic groups. It is an ongoing target to maintain and improve equality, inclusivity and diversity, and efforts are made at audition to recruit students from a diverse range of backgrounds and support them to succeed at the highest levels. We continue to explore how we can influence the intake in Musical Theatre, through targeted outreach and marketing strategies. Our commitment to diversity continues to be reflected in our efforts to attract talented students from a range of backgrounds to our post-18 courses.

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New intake

% Black, East Asian, South Asian, and other under-represented Ethnic groups.

2025-26	23%
2024-25	25%
2023-24	26%
2022-23	29%
2021-22	41%
2020-21	30%
2019-20	37%
2018-19	29%
2017-18	23%
2016-17	21%
2015-16	20%
2014-15	18%

Wellbeing and Pastoral Care

The challenge of supporting the growing number of pupils and students with mental health is one faced by all education and training providers. Trustees are committed to supporting initiatives for continual improvement in pastoral care in support services and the promotion of wellbeing for all our students and staff. The HE Registry Team have a centralised Student Support Team in place who support our students through a range of support mechanisms and procedures such as a new Personal Tutoring System and revised Attendance Policy. ArtsEd also offer on-site external Counselling Service to all students and confidential external online support is available to both staff and students through Togetherall.com. We are committed to ensuring the effectiveness of our support systems for students and ensuring students are supported during their time at ArtsEd.

School of Musical Theatre

ArtsEd's Musical Theatre ("MT") department is regarded as the premier Musical Theatre school in the country and Europe, and one of only a handful which can genuinely claim a 'triple threat' training. The training is rigorous and robust. All our Graduate shows for 24/25 were in person with sold out audiences at our Andrew Lloyd Webber Foundation Theatre. For the sixth year running the MT showcase was filmed as showreels directed by Matthew Gordon Martin and Jonathan O'Boyle (Director of the School of Musical Theatre).

Employability

Students continue to be well prepared for employment, both in the development of the key skills necessary for work in the profession, and in the development of understanding about the industry. They take part in regular mock and preview interviews and auditions, and the requirement to audition for roles in their final year productions and films gives students a real sense of what to expect when seeking professional work. Students benefit from an extensive programme of professional practice and industry talks from agents, casting directors and actors on a range of subjects including how to start their own theatre company, how to manage their finances and taxes, how to develop their own work for television, how to market themselves and understanding their individual casting potential. These industry guests frequently cast and audition the students for professional productions.

Similarly, the policy of bringing West End casting directors to audition BA Musical Theatre whilst still in training continues to be highly successful and will continue for the forthcoming year. This year we have invited five leading casting directors to attend our casting director days.

Graduate Success

We have several students up for awards at the Black British Theatre Awards:

Omari Douglas – Best Male Lead Actor in a Play.

Georina Onuorah – Best Female Lead Actor in a Musical.

2024/25 - July 2025 Graduates

49 students graduated in 2025

49 students – 100% – secured an agent before graduation.

Employment

As of 10th October 2025, 41% of 2025 graduates had secured a first job.

Graduate Destinations

West End Musicals:

Evita, Into The Woods, Old Friends: Stephen Sondheim Concert, Starlight Express, Your Lie In April, The Wizard of Oz, Mamma Mia, Moulin Rouge, Tina: The Musical, Back To The Future, Les Misérables, Grease, Pretty Woman, Brigadoon, The Curious Case of Benjamin Button, Burlesque, Wendy and Peter (RSC), Come Alive, The Lightening Thief, and Cabaret.

Regional theatre including:

Starter For Ten at Bristol Old Vic, Top Hat, Assassins and Rock Follies at Chichester Festival Theatre, Evita and My Fair Lady at Curve Leicester, Roman Holiday at Bath Theatre Royal, Hairspray at Kilworth House.

UK Tours including:

Hamilton, Only Fools and Horses, The Wizard of Oz, Wicked, Madagascar: The Musical, Jesus Christ Superstar, Pretty Woman, Cruel Intentions, Sunny Afternoon, My Fair Lady. As well as International and European tours, including A Chorus Line, Singin In The Rain, The Phantom of the Opera and Love Never Dies, and further engagements (concerts and new writing workshops).

TV: Eastenders

School of Acting

The School of Acting is one of the more diverse schools in the sector, from both a student and tutor stance and its reputation has grown substantially. By culturally diversifying the curriculum, pedagogical approach and operational structures, it has seen a meaningful cultural shift which has impacted positively on the wellbeing of both students and staff. This is highlighted in the large number of student applications (over 1200 for 34 places), at the end of the 2024-25 audition cycle.

We offer an inclusive, diverse, contemporary industry-facing programme, an exciting alternative to the traditional model of classical theatre training. The BA Acting course was an early adopter in embedding intimacy training and British Sign Language within the 1st Year curriculum - these strands have further developed to ensure that they weave through all three years' training including Third year support for public productions. We continue to develop cross -curriculum and co-teaching and collaborations with other schools

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within ArtsEd to enhance student experience. Our TV and Film delivery has been noted by screen industry professionals as very high quality drama school training provision.

Employability

ArtsEd facilitates a robust practical creative environment to facilitate students to progress into professional work in all genres. We bring stage and screen casting directors to audition BA Acting students whilst still in training, which has born fruit in students being cast for stage and screen. This addition, like our Musical Theatre course, provides another indicator of the quality of standards on the programme. We are proud our students continue to gain professional recognition and obtain high quality professional work with alumni being nominated for the BBTA Awards this year. BA Acting Graduate Nominations included Best Female Supporting Actor in a Play.

We are pleased to see 2024-25 graduates undertaking work since leaving the course: Channel 4 six part series 'Pierre' with David Harwood; West End show 'Woman in Mind' with Sheridan Smith; West End show 'Stranger Things: The First Shadow'; a working title Apple TV series; short film 'Brilliant Traces'; BBC series 'Casualty'; plays 'No Such Thing as a Blank Canvas' and 'Dweeb a Mania'; an astounding 100% SOA Graduates secured agents, 70% of whom from the PMA, before leaving.

Below are further examples of the quality of work our graduates have undertaken:

Screen: BBC 'Comic Relief Eastenders', Paramount+ 'The Agency', Universal 'FBI: Confidential', Feature Film 'The Last Disturbance of Madeline Hynde' directed by Kenneth Branagh, BBC 'Eastenders', Apple TV 'Trying', Quay Street Productions 'Tiptoe', Apple TV+ series 'Invasion'; Warner Brothers 'The Flash'; ITV 'The Walk In'; Apple TV 'Criminal Record'; Channel 4/Disney/ Lionsgate 'Queenie'; Netflix 'The Crown'; Syfy Channel 'The Arc' Season 2; Empire Productions 'Pulcinella' Apple TV 'Hijack'; BBC 'Doctors' and 'Casualty'; ITV 'PIglets'; Netflix 'One Day'; MGM Studios/Amazon Prime 'Lazarus'; Miramax/Working Title 'Bridget Jones Diary'.

Radio/Voicework: BBC Radio 4 series regular Torchwood; Prodigious UK, Iris Worldwide, BBC Audio Drama.

Theatre: Riverside Studios 'The Underneath', Liverpool Everyman 'Playhouse', West End 'Oedipus', West End 'Strangers Things: The First Shadow', RSC 'The Tempest, Lion and Unicorn Theatre 'Girls Who War' and 'Mercutio', Tabard Theatre 'Possum Trot', Edinburgh Fringe one man show, Tramshed 'Sorry not Sorry', Shakespeare's Globe 'Romeo and Juliet', Orange Tree Theatre 'Test Match', RSC 'A School for Scandal', West End 'Romeo and Juliet', CAA Theatre 'Cyrano', Criterion Theatre 'Unbelievable', National Theatre extended tour 'The Ocean at the End of the Road', The Changeling Theatre Company 'Loves Labours Lost'; Leeds Playhouse/Home Theatre Manchester/Northern Stage 'The White Card'.

FINANCIAL RESULTS

The Institution produced a deficit for the year of £103,426 (2024: deficit of £591,776). The total accumulated unrestricted general fund surplus at the end of the year was £6,715,131 (2024: £6,717,607). There were designated funds at the year end of £188,110 (2024: £188,110).

Capital expenditure in the year totalled £151,424 (2024: £370,824), which is offset by a reduction in the cost of buildings of £426,492 (2024: nil) in relation to the capital goods scheme adjustment following VAT registration on 1 January 2025. Year-end cash balances were £3,056,108 (2024: £4,098,223) and there were long term loans with Lloyds Bank plc of £4,409,731 (2024: £5,606,671). The variable rate loan was repaid fully during the year.

From a financial perspective 2024/25 was a year of consolidation, following the financial year 2023/24, that was hugely impacted by the exceptional costs relating to the Rezaie external investigation between January

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2025**

and July 2024. The institution has continued to feel the impact of the cost of living crisis and inflation. Our total fee income for the year was £11,216,282 (2024: £10,542,566). Studio hire and mast income continued to grow in the period, generating income of £265,089 (2024: £206,471) and our Theatres Tax Credit generated income of £260,000 (2024: £250,000).

We have continued to support families with bursaries and discounts from our unrestricted funds of £374,616 (2024: £440,913). Total bursaries, scholarships and discounts from restricted and unrestricted funds amounted to £610,459 (2024: £650,099).

Total expenditure in the year was £12,101,646 (2024: £11,921,857). The institution has consolidated its costs, following significant legal and regulatory costs arising as a result of the Rezaie investigation in 2023/24.

The Trustees remain confident that our financial position remains robust in an extremely challenging external environment that includes an uncertain political climate for the sector, along with high inflation and financial uncertainty that has put a financial strain on parents and students. A prudent budget has been prepared for 2025/26, during which we will be looking ahead to forge a new 5-year strategy.

Charitable Support

The Trust is immensely grateful for the support from the following individuals and trusts and foundations in 2024/25. Their generosity ensures that we can continue in our mission to enrol students with the greatest potential, regardless of their financial circumstances and that our facilities continue to be of a quality that matches their talent.

Special thanks to:

Andrew Lloyd Webber Foundation
The Leverhulme Trust

ArtsEd TAP and ArtsEd Parents & Families

We would like to thank the TAP committee for their continued hard work, commitment and enthusiasm, and the Day School & Sixth Form parent and carer community for their ongoing support of TAP events and ArtsEd's wider fundraising initiatives. Funds continue to be raised to be applied towards hardship grants.

ArtsEd Enthusiasts

R J Parkinson

ArtsEd Admirers

F Mannan, G Williams, J Williams, B Stevenson, J Millar, A Gamble, R St Mart, V Provis

Tim English and all the generous supporters of the Chris Hornby Bursary Fund

Justin & Sarah Savage and all the generous supporters of the Graham Martin Bursary Fund

Corporate

Acre Properties in memory of Ben Turner, Smith & Brant Theatricals

Trusts and Foundations

The D'Oyly Carte Charitable Trust, Help Musicians UK, The Honourable Society of Knights of the Round Table, Society of London Theatres (Laurence Olivier Bursary), The Lionel Bart Foundation, Lynne & Land Foundation, Pamela Brady Todd Fund, The Royal Victoria Hall Foundation (Lilian Baylis Award) The Sir John Gielgud Charitable Trust, Sophie's Silver Lining Fund, The Stanley Picker Charitable Trust

Legacy Pledges

Anon, Vanessa Cameron, David J Yeoward

Future Plans

Over the coming year the Institution is focusing on a period of consolidation and stabilisation. The new Principal has launched a stabilisation plan that covers all key areas of the business, leading to the launch of a new and ambitious Strategic Plan in late 2026.

Reserves Policy

Total funds at the balance sheet date were £14,908,831 (2024: £15,012,257) of which £2,615,965 were restricted (2024: £2,741,637) and £10,923,241 were unrestricted (2024: £10,925,717). Details of restricted funds are provided in note 19. Of the unrestricted reserves, there is a designated fund of £188,110 (2024: £188,110) which has been set up for student bursaries. Also included in the unrestricted fund is the revaluation reserve of £4,020,000 (2023: £4,020,000) which arose on the last revaluation of the School's land and buildings. At the balance sheet date the permanent endowment fund had a balance of £1,369,625 (2024: £1,344,903).

As the school has historically invested in its building and, accordingly, there were no free reserves at the balance sheet date (2024: £nil). It is likely that free reserves will remain minimal. The Trustees believe that it is important to continue to maintain operational surpluses in order to build up total reserves and in order to be able to invest in the facilities and staff of ArtsEd.

Investment Policy

An investment policy has been written and adopted that seeks to optimise cash flow whilst maximising return on investment in a safe and secure manner. The investments are held within the permanent endowment fund. During the year, the net gain on investments was £24,722 (2024: £142,951). The fund continues to generate restricted income totalling £38,000 (2023: £38,000).

Fundraising practices and performance

Raising voluntary funds from trusts, foundations and individuals is a vital source of income for ArtsEd, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support from all of our donors.

At ArtsEd, we believe that fundraising should be an open, honest and respectful process. We aim to build partnerships with our supporters and donors that are based on mutual understanding and shared values. In developing our approach to fundraising, we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. We have a small internal fundraising team which carries out our principal fundraising activity and make occasional use of external professional fundraisers for standalone fundraising projects. We do not engage commercial participators to carry out fundraising activity. The fundraising team works closely with ArtsEd's executive and trustees to develop its fundraising strategy and identify potential prospects, the vast majority of whom have an existing connection to ArtsEd or to a member of one of these internal bodies. ArtsEd does not engage in unsolicited face-to-face or telephone fundraising.

As part of General Data Protection Regulation, ArtsEd reviewed and updated its Privacy Policy with regards to fundraising. This policy, published on our website, clearly states what personal data ArtsEd will hold in relation to supporters and how this data will be used. It sets out how individuals can raise concerns or complaints. ArtsEd has received no complaints about its fundraising activities either during the financial year or subsequently.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk Management

The main risks that the Trustees have identified and the plans to manage those risks are:

Compliance – Compliance with the requirements of our regulators is fundamental for ArtsEd to continue to offer an outstanding education to its students in a safe environment. We manage this risk through the employment of appropriately qualified and experienced senior staff who report into the Board of Trustees and relevant Sub-Committees. A rolling list of actions is maintained to assist with the monitoring of compliance matters.

Reputation – The School's success is built on its reputation of the quality of its education/training and wellbeing of our students.

We manage this risk by:

- constantly reviewing the delivery and relevance of all our education and training
- recruiting, developing, and retaining outstanding academic and professional
- reviewing and applying our safeguarding policies
- providing pastoral support for both students and staff
- actively identifying and resolving health and safety related issues
- constantly reviewing compliance with regulatory matter, providing investment when required
- ensuring that an appropriate building infrastructure is in place for all staff and students
- ensuring that an appropriate infrastructure and training is undertaken in relation to data protection

Finance – Our ability to continue is reliant on student fees and effectively managing costs.

We manage this risk by:

- marketing activity to maintain student numbers, and diversify supplementary income
- having a reputation for academic and vocational excellence and excellent student destinations
- having effective credit control procedures
- comprehensive budgeting and regular financial reporting against the approved budget

Competition – Innovative or unexpected developments are made by competitor organisations.

We manage this risk by:

- benchmarking the Schools' performance against industry standards
- regular review of the curriculum and training to ensure that they achieve academic and vocational excellence and meet industry expectations
- monitoring our student destinations
- recruiting and retaining the best staff

Through the risk management processes established for the Charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Trustees' responsibilities for the financial statements

The Trustees, who are also directors of ArtsEd for the purposes of company law, are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare Financial Statements for each financial year. Under that law the Trustees have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view

**THE ARTS EDUCATIONAL SCHOOLS
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2025**

of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice ("SORP");
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

The Trustees at the time when this Trustees' Report is approved have confirmed that:

- so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all the steps that ought to have been taken as Trustees in order to be aware of any information needed by the charitable company's auditors in connection with preparing this report and to establish that the charitable company's auditors are aware of this information.

Trustees' Report, incorporating the Strategic Report, approved on behalf of the Trustees:



Claire Blunt, Chair
18 December 2025

**THE ARTS EDUCATIONAL SCHOOLS
STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL
FOR THE YEAR ENDED 31 AUGUST 2025**

Corporate Governance

The Statement which follows is provided to enable readers of the Annual Review and Financial Statements of the School to obtain a better understanding of its governance and legal structure and applies to the 2024/25 financial year and to the date of the approval of the audited financial statements.

The structure of Corporate Governance is set out on pages 3 and 4, being the first section of the Trustees' Report. The Governing Document which dates from 1962 and was last amended in 2025 underpins the Governing practices adopted by the Board.

The Trustees are legally responsible for the overall management and control of the Schools. The Board of Trustees meets at least three times a year. Day to day responsibilities are delegated to the Principal and the Board has six sub-committees that meet at least three times a year that cover specific areas of the business. For the year under review these were:

- The Finance and Audit Committee
- The Compliance and Risk Management Committee
- The Welfare, Safeguarding and Health and Safety
- The Day School and Sixth Form Committee
- The Higher Education Committee
- The Nominations and Remuneration

All the sub-committees are attended by the Principal and other senior staff as may be required. Minutes are taken from all such meetings which are included in the Board papers so that all Trustees have an appreciation of the issues dealt with by the sub-committees.

Every year the Board holds at least one Strategic Review day when issues of a longer term and more strategically orientated are considered.

The Principal and the Senior Leadership Board (SLB) meet weekly to discuss current issues and to agree actions for the short, medium and longer term as required.

The Finance & Audit Committee, in conjunction with the Compliance and Risk Management Committee, ensure the adequacy and effectiveness of arrangements for corporate governance, risk management and oversight of any statutory and other regulatory responsibilities including compliance with the OfS's ongoing conditions of registration, any terms and conditions of funding as well as any other relevant regulatory responsibilities.

Internal Controls

Identifying and managing risk is a key part of the work of the Board and the SLB. This is addressed by the maintenance of a detailed Risk Register that is discussed and updated as necessary at all the meetings of the Board and the SLB and is covered where appropriate by the other sub-committees.

The approach to internal controls is risk-based including an evaluation of the risks becoming a reality. The risk weighting is considered by assessing the likelihood of the risk and the potential damage it could do. This approach helps management and Trustees prioritise actions and enhance controls if the potential impact of a risk is considered to be increasing.

Whilst many risks do have a financial implication many others do not and could have compliance, operational, health and safety or reputational implications. The Risk Register covers all such issues and not the purely financial ones.

**THE ARTS EDUCATIONAL SCHOOLS
STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL
FOR THE YEAR ENDED 31 AUGUST 2025**

Members of the Board of Trustees understands that it is their responsibility to ensure that a sound system of internal controls is maintained and confirms that it has reviewed the effectiveness of these arrangements.

The Trustees, SLB and external auditors have not identified any significant internal control weaknesses or failures in the financial year under review or in the period since the year end up to the date that the financial statements were signed that need to be disclosed.



**Claire Blunt, Chair
18 December 2025**

**THE ARTS EDUCATIONAL SCHOOLS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ARTS EDUCATIONAL SCHOOLS
FOR THE YEAR ENDED 31 AUGUST 2025**

Opinion

We have audited the financial statements of The Arts Educational Schools for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Office for Students Accounts Direction.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report (incorporating the strategic report). Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

**THE ARTS EDUCATIONAL SCHOOLS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ARTS EDUCATIONAL SCHOOLS
FOR THE YEAR ENDED 31 AUGUST 2025**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Matters on which we are required to report in respect of the Office for Students

In our opinion, in all material respects:

- funds administered by the charitable company for specific purposes during the year ended 31 August 2025 as disclosed in note 17, have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the OfS and Department for Education have been applied in accordance with the terms and conditions attached to them during the year ended 31 August 2025; and

We have nothing to report in respect of the following matters in relation to which the Office for Students requires us to report where:

- grant and fee income, as disclosed in the note 3 to the accounts, has been materially misstated
- expenditure on access and participation activities for the financial year has been materially misstated

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities statement set out on pages 18 and 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to independent schools, higher education and further education provision including Independent Schools Inspectorate, Ofsted and the Office for Students regulations, charity and company law applicable in England and Wales, employment law, and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct

**THE ARTS EDUCATIONAL SCHOOLS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ARTS EDUCATIONAL SCHOOLS
FOR THE YEAR ENDED 31 AUGUST 2025**

impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and the Office for Students Accounts Direction.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to voluntary and other income and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Reviewing the income recognition around the year end to assess whether income had been recognised in the correct accounting period; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young
Senior Statutory Auditor
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 19 December 2025

**THE ARTS EDUCATIONAL SCHOOLS
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025**

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Endowment Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
INCOME FROM:						
Donations and legacies	2	1,460	180,836	-	182,296	159,146
Charitable activities						
Fee income	3	10,841,666	-	-	10,841,666	10,101,653
Other income	4	837,925	-	-	837,925	790,388
Investment income		73,611	38,000	-	111,611	135,943
TOTAL INCOME		11,754,662	218,836	-	11,973,498	11,187,130
EXPENDITURE ON:						
Raising funds		(79,184)	-	-	(79,184)	(54,071)
Charitable activities		(11,677,954)	(344,508)	-	(12,022,462)	(11,867,786)
TOTAL EXPENDITURE	5	(11,757,138)	(344,508)	-	(12,101,646)	(11,921,857)
NET EXPENDITURE BEFORE INVESTMENT GAINS		(2,476)	(125,672)	-	(128,148)	(734,727)
Net gains on investments		-	-	24,722	24,722	142,951
NET (EXPENDITURE) / INCOME BEFORE TRANSFERS		(2,476)	(125,672)	24,722	(103,426)	(591,776)
Transfers		-	-	-	-	-
NET MOVEMENT IN FUNDS		(2,476)	(125,672)	24,722	(103,426)	(591,776)
Funds brought forward at 1 September		10,925,717	2,741,637	1,344,903	15,012,257	15,604,033
TOTAL FUNDS AT 31 AUGUST		10,923,241	2,615,965	1,369,625	14,908,831	15,012,257

All amounts are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 28 to 48 form part of these financial statements.

Full comparatives for 2024 are provided in note 25.

	Note	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12		17,584,176		18,561,748
INVESTMENTS					
Investments	13		1,469,911		1,445,189
CURRENT ASSETS					
Debtors	14	3,494,834		3,031,125	
Cash at bank and in hand		3,056,108		4,098,223	
		<u>6,550,942</u>		<u>7,129,348</u>	
CREDITORS: amounts falling due within one year	15	<u>(6,656,992)</u>		<u>(6,856,478)</u>	
NET CURRENT (LIABILITIES)/ASSETS			(106,050)		272,870
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,948,037</u>		<u>20,279,807</u>
CREDITORS: Amounts falling due after one year	15		<u>(4,039,206)</u>		<u>(5,267,550)</u>
NET ASSETS	18		<u>14,908,831</u>		<u>15,012,257</u>
RESERVES					
Unrestricted funds					
- general funds			6,715,131		6,717,607
- designated funds			188,110		188,110
- revaluation reserve			4,020,000		4,020,000
Restricted funds	19		2,615,965		2,741,637
Endowment funds	20		1,369,625		1,344,903
TOTAL FUNDS	17		<u>14,908,831</u>		<u>15,012,257</u>

The notes on pages 28 to 48 form part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 18 December 2025 and were signed below on its behalf by:

Claire Blunt
Trustee, Chair



Louise Jackson
Accountable Officer



	Note	2025		2024	
		£	£	£	£
Net cash provided by operating activities	22		383,296		813,590
Cash flows from investing activities					
Dividends (drawn from investment portfolio)		38,000		38,000	
Interest income		73,611		97,943	
Interest payable		(189,158)		(214,171)	
Fixed asset additions		(151,424)		(370,824)	
		_____		_____	
Net cash used in investing activities			(228,971)		(449,052)
Financing activities					
Cash outflows from repayments		(1,196,440)		(387,874)	
		_____		_____	
Net cash (outflow) from financing activities			(1,196,440)		(387,874)
			_____		_____
Change in cash and cash equivalents in the year			(1,042,115)		(23,336)
			_____		_____
Cash and cash equivalents at the beginning of the year			4,136,223		4,159,559
			_____		_____
Cash and cash equivalents at the end of the year	23		3,094,108		4,136,223
			=====		=====

The notes on pages 28 to 48 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2019. The Financial Statements are drawn up under the historical cost convention, with the exception of investments which are included at valuation.

The Trust is a Public Benefit Entity registered as a charity in England and Wales, it was registered in 1962 (charity number: 311087).

Going concern

Having reviewed the funding facilities available to the Trust together with the expected ongoing demand for places and the Trust's future projected cash flows and in addition having reviewed the potential impact of the cost of living crisis and uncertainty on the Trust's finances, the Trustees have a reasonable expectation that the Trust has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

Group structure

A subsidiary called ArtsEd International Ltd (company number 11960873) was established on 24 April 2019. This subsidiary is now dormant and consolidated accounts are therefore no longer required. ArtsEd International Performing Arts Education LLC is limited by shares, of which The Arts Educational Schools owned 49%, until 1 September 2021, when the company was sold to the Dubai local management team for £1. Following the sale, the school no longer had control of the company. The company is now dormant.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's financial statements.

Fees and Similar Income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Trust against those fees, but including contribution received from restricted funds, are accounted for in the period in which the service is provided.

Government grants are reported as fees or other grants as appropriate.

Donations, grants and legacies

Donations, grants and legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Investment income

Investment income from the investments and bank balances are accounted for on an accruals basis.

The income from the invested endowment fund is wholly restricted.

Expenditure

Charitable expenditure and administration costs comprise direct expenditure including staff costs attributable to the activity and are accounted for on the accruals basis. Where costs cannot be directly attributed they have been allocated to the activities on a basis consistent with the use of resources. The Trust is able to partially recover VAT incurred on expenditure. Accordingly expenditure is shown inclusive of any associated VAT payable.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Trust and include the audit fees and costs linked to the strategic management of the Trust.

Fund accounting

Unrestricted funds comprise resources available to the Trustees to be applied for any purpose within the objects of the Trust.

Restricted funds comprise donations for purposes restricted by the wishes of the donor.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent. These funds are sub-analysed between those where the Trustees have the discretion to spend the capital (expenditure endowment) and those where there is no discretion to expend the capital (permanent endowment). The Charity has one permanent endowment fund, and no expendable endowment. The fund is managed by the investment managers on a total return basis. This means that the funds are invested to maximise the return on investment without regard as to whether that return is in the form of income from dividends or interest or capital appreciation (where the market value of the investment increases). The investment managers each year release a set amount of that return for spending on bursaries for Musical Theatre students.

Revaluation reserve comprises total revaluations in the deemed cost of the properties.

Designated funds are funds that the Trustees have earmarked for a particular purpose or use without restricting or committing the funds legally.

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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Pension

The Trust makes pension contributions to defined contribution pension schemes on behalf of certain employees. These contributions are held in a separately administered fund.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Fixed asset investments

Investments are a form of basic financial instrument. Fixed asset investments are initially recognized at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid deposit accounts.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. A specific provision is made for debts for which recoverability is in doubt.

Creditors and provisions

Creditors and provisions are recognized where the Trust has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognized at their settlement amount after allowing for any trade discounts due.

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

Depreciation

Tangible fixed assets are stated at cost or deemed cost, net of depreciation and any provision for impairment. Tangible fixed assets costing greater than or equal to £500 are capitalised and stated at cost, net of depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	2% per annum
Computer equipment	33.33% per annum
Furniture and fittings	10% - 50% per annum
Motor vehicles	25% per annum
Building & theatre refurbishment	2% - 10% per annum

The valuation of freehold land and buildings on transition to FRS 102 at 1 September 2014 has been taken as the deemed cost.

2 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Endowment Funds 2025 £	Total 2025 £
Donations	1,460	180,836	-	182,296
	<u>1,460</u>	<u>180,836</u>	<u>-</u>	<u>182,296</u>
<i>Comparative analysis</i>				
	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total 2024 £
Donations	25	159,121	-	159,146
	<u>25</u>	<u>159,121</u>	<u>-</u>	<u>159,146</u>

3 GRANT AND FEE INCOME

	2025 £	2024 £
Fee income from other bodies	868,477	865,977
Fee income for taught awards	3,760,703	3,368,698
Fee income from non-qualifying courses	6,212,468	5,866,978
	<u>10,841,666</u>	<u>10,101,653</u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Fees income		
Fees receivable	11,216,282	10,542,566
Bursaries and discounts	(374,616)	(440,913)
	<u>10,841,666</u>	<u>10,101,653</u>
Other income		
Studio, theatre hire and classes	265,089	206,471
Audition and registration fees	59,487	61,289
School productions	103,406	93,482
Catering	78,720	88,768
Bar income	10,387	11,896
Theatre tax relief	260,000	250,000
Other income	60,836	78,482
	<u>837,925</u>	<u>790,388</u>
	<u><u>11,679,591</u></u>	<u><u>10,892,041</u></u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

5. ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs 2025 £	Other Costs 2025 £	Depreciation 2025 £	Total 2025 £
Raising funds:				
Fundraising	69,263	9,921	-	79,184
Charitable activities				
Teaching costs	5,328,779	647,014	23,249	5,999,042
Welfare costs	4,713	443,036	-	447,749
Premises costs	580,983	818,871	675,413	2,075,267
Productions costs	660,835	158,023	-	818,858
Grants, awards and prizes	-	250,950	-	250,950
Support costs	1,176,181	872,463	3,842	2,052,486
Finance costs	-	378,110	-	378,110
	<u>7,751,491</u>	<u>3,568,467</u>	<u>702,504</u>	<u>12,022,462</u>
	<u>7,820,754</u>	<u>3,578,388</u>	<u>702,504</u>	<u>12,101,646</u>

Comparative analysis

	Staff Costs 2024 £	Other Costs 2024 £	Depreciation 2024 £	Total 2024 £
Raising funds:				
Fundraising	49,465	4,606	-	54,071
Charitable activities				
Teaching costs	4,847,141	493,229	32,782	5,373,152
Welfare costs	1,021	406,595	-	407,616
Premises costs	512,580	859,029	700,759	2,072,368
Productions costs	571,515	134,445	-	705,960
Grants, awards and prizes	-	213,952	-	213,952
Support costs	1,299,939	1,472,772	3,842	2,776,553
Finance costs	-	318,185	-	318,185
	<u>7,232,196</u>	<u>3,898,207</u>	<u>737,383</u>	<u>11,867,786</u>
	<u>7,281,661</u>	<u>3,902,813</u>	<u>737,383</u>	<u>11,921,857</u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

6. ANALYSIS OF SUPPORT COSTS

All costs included in charitable activities are direct costs with the exception of support costs of schooling which comprise:

	General support 2025 £	Governance costs 2025 £	Total 2025 £	General support 2024 £	Governance costs 2024 £	Total 2024 £
Staff costs	1,143,694	32,487	1,176,181	1,261,918	38,021	1,299,939
Administrative costs	666,474	6,365	672,839	604,229	1,041	605,270
Professional costs	147,888	-	147,888	827,833	-	827,833
Audit remuneration	-	38,310	38,310	-	26,820	26,820
Bank charges	13,426	-	13,426	12,849	-	12,849
Depreciation	3,842	-	3,842	3,842	-	3,842
	<u>1,975,324</u>	<u>77,162</u>	<u>2,052,486</u>	<u>2,710,671</u>	<u>65,882</u>	<u>2,776,553</u>

7. NET MOVEMENT IN FUNDS

	2025 £	2024 £
Net movement in funds is stated after charging:		
Operating leases – equipment	34,977	56,420
Depreciation of tangible fixed assets – owned by the charity	702,504	737,383
Interest costs	189,158	214,171
Auditors’ remuneration – audit	32,000	30,000
Auditors’ remuneration – other	9,000	9,000
	<u>967,539</u>	<u>1,246,974</u>

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff Costs

	2025 £	2024 £
Wages and salaries	6,930,177	6,500,620
Social security costs	660,295	564,706
Pension costs	213,554	203,015
Apprenticeship levy	16,728	13,320
	<u>7,820,754</u>	<u>7,281,661</u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

Trustees' remuneration and expenses

The charity trustees were not paid and did not receive any benefits from employment with the Trust in the year (2024: £nil). The total cost of servicing the Board of Trustees was £6,365 (2024: £1,041). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Key Management Personnel

The key management personnel of the charity comprise the trustees and the Senior Leadership Board listed on page 5. The total employee benefits of the key management personnel were £616,709 (2024: £791,336).

STAFF NUMBERS

The average headcount employed by the charitable company during the year was as follows:

	2025	2024
	Number	Number
Principal and management	7	8
Domestic	15	15
Facilities/IT/Library	17	15
Finance	4	4
Production	12	11
Administration	15	15
Teaching staff	159	147
	<u>229</u>	<u>215</u>

HIGHER PAID STAFF

The number of staff whose basic salary exceeded £60k per annum during the year was as follows:

	No. of Staff	No. of Staff
	2025	2024
£60,000 - £64,999	6	4
£65,000 - £69,999	2	1
£70,000 - £74,999	1	-
£75,000 - £79,999	-	2
£80,000 - £84,999	1	-
£85,000 - £85,999	1	1
£90,000 - £94,999	1	-
£105,000 - £109,999	-	1
£130,000 - £134,999	1	-
£190,000 - £194,999	-	1
	<u>13</u>	<u>10</u>

Pension contributions totaling £37,305 (2024: £33,024) were made on behalf of 13 (2024: 10) of the above employees.

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

PRINCIPAL'S REMUNERATION

The total remuneration package for the Principal during the year was as follows:

	2025	2024
	£	£
Louise Jackson (from 1 July 2025)		
Basic salary	25,000	-
Pension contributions	-	-
Other taxable benefits	-	-
	<u>25,000</u>	<u>-</u>
	<u><u>25,000</u></u>	<u><u>-</u></u>
Julie Spencer (until 9 July 2024)		
Basic salary	-	113,382
Pension contributions	-	4,997
Other taxable benefits	-	180
Payment in lieu of notice	-	80,000
	<u>-</u>	<u>198,559</u>
	<u><u>-</u></u>	<u><u>198,559</u></u>

The Principal's remuneration package is set by reference to similar organisations and is approved by the Board following a recommendation from the Chair. There is an annual appraisal with the Chair when targets are set for the ensuing short, medium and long term together with a discussion and assessment of the achievements in the period under review.

The Principal's (head of provider) total remuneration is 2.77 times (2024: 4.88 times) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

Following the resignation of the former Principal on 9 July 2024, the Trustees appointed an Interim Executive Leadership Team, consisting of the Finance Director, the Director of the School of Musical Theatre and the Headteacher of the Day School and Sixth Form, to lead the institution until a new Principal was appointed on 1 July 2025. The aggregate remuneration in the period from 10 July 2024 to 30 June 2025 was:

	2025	2024
	£	£
Executive Leadership Team (10 July 2024 to 30 June 2025)		
Basic salary	256,611	39,741
Pension contributions	7,128	1,478
Other taxable benefits	821	98
	<u>264,560</u>	<u>41,317</u>
	<u><u>264,560</u></u>	<u><u>41,317</u></u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

SEVERANCE PAYMENTS

The total amount of severance payments for the year was £30,000 (2024: £126,465) to 3 individuals (2024: 3).

9. RELATED PARTY TRANSACTIONS

Trustees made donations of £1,632 to the School (2024: £3,563). There were no other related party transactions.

10. PENSIONS

The charity makes contributions to defined contribution pension schemes on behalf of certain employees. The charge for the year was £215,134 (2024: £203,015). At the year end, there was an amount payable of £32,867 (2024: £29,047).

11. SUBSIDIARIES

The charitable company has two subsidiary entities: ArtsEd International Limited (registered in the England and Wales), Company number 11960873 and ArtsEd International Performing Arts Education LLC (known as ArtsEd Dubai) (registered in Dubai) which is based in Dubai. Both entities are now considered dormant.

ArtsEd International Limited

ArtsEd International Limited is limited by shares, of which The Arts Educational Schools is the sole Shareholder. It was incorporated on 24 April 2019. The company provides educational services internationally. During the year the Company did not trade. This company is dormant.

The income and expenditure of Arts Ed International Limited for the year ended 31 August 2025 was:

	2025	2024
	£	£
Turnover	-	-
Cost of sales	-	-
	<u> </u>	<u> </u>
	-	-
	<u><u> </u></u>	<u><u> </u></u>

The assets and liabilities of Arts Ed international Limited at 31 August 2025 were:

	2025	2024
	£	
Debtors	109,974	109,974
Creditors	(109,974)	(109,974)
	<u> </u>	<u> </u>
	-	-
	<u><u> </u></u>	<u><u> </u></u>

**THE ARTS EDUCATIONAL SCHOOLS
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ArtsEd International Performing Arts Education LLC

ArtsEd International Performing Arts Education LLC is limited by shares, of which The Arts Educational Schools owned 49%, until 1 September 2021, when the company was sold to the Dubai local management team for £1. Following the sale, the school no longer had control of the company and it has subsequently been excluded from the consolidation. The company is dormant.

The income and expenditure of ArtsEd Dubai for the year ended 31 August 2025 were:

	2025	2024
	£	£
Turnover	-	-
Cost of sales	-	-
Admin costs	-	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

The assets and liabilities of ArtsEd International Performing Arts Education LLC at 31 August 2025 were:

	2025	2024
	£	£
Cash	-	-
Debtors	-	-
Creditors	-	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

12. TANGIBLE FIXED ASSETS	Freehold land and buildings	Furniture	Computer	Motor vehicles	Building, studios & theatre	Assets under construction	Total
	£	£	£	£	£	£	£
Cost or deemed cost							
At 1 September 2024	6,600,000	2,502,020	689,437	30,228	15,762,024	241,840	25,825,549
Additions	-	98,377	53,047	-	-	-	151,424
Adjustment	-	-	-	-	(426,492)	-	(426,492)
At 31 August 2025	6,600,000	2,596,048	742,484	30,228	15,335,532	241,840	25,550,481
Depreciation							
At 1 September 2024	1,757,512	1,896,919	669,725	26,066	2,671,739	241,840	7,263,801
Depreciation charge for the year	97,000	138,983	23,249	3,842	439,430	-	702,504
At 31 August 2025	1,854,512	2,035,902	692,974	29,908	3,111,169	241,840	7,966,305
Net Book Value							
At 31 August 2025	4,745,488	564,495	49,510	320	12,224,363	-	17,584,176
At 31 August 2024	4,842,488	605,101	19,712	4,162	13,090,285	-	18,561,748

13. INVESTMENTS

	2025 £	2024 £
Fair value brought forward at 1 September	1,445,189	1,264,238
Gain on revaluation of investments	24,722	142,951
Investment income retained	-	38,000
Fair value as at 31 August	1,469,911	1,445,189

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

14. DEBTORS

	2025	2024
	£	£
Trade debtors	2,532,283	2,427,568
Prepayments	273,470	325,821
Other debtors	689,081	277,736
	<u>3,494,834</u>	<u>3,031,125</u>

Included within other debtors are amounts of £355,410 (2024: nil) which relates to accrued VAT recoverable via the Capital Goods Scheme in future years..

15. CREDITORS: amounts falling due within one year

	2025	2024
	£	£
Bank loan (note 16)	370,525	421,949
Trade creditors	288,447	422,073
Other creditors	1,996,352	1,595,047
Accruals	395,472	585,248
Deferred income	3,606,196	3,832,161
	<u>6,656,992</u>	<u>6,856,478</u>

Included within other creditors is an amount of £436,926 (2024: £133,527) relating to taxes and social security.

CREDITORS: amounts falling due in more than one year

	2025	2024
	£	£
Bank loan (note 16)	4,039,206	5,184,222
Deferred income	-	83,328
	<u>4,039,206</u>	<u>5,267,550</u>

ANALYSIS OF DEFERRED INCOME

	2025	2024
	£	£
At 1 September	3,915,489	3,328,776
Released to income in the year	(3,915,489)	(3,328,776)
Deferred in the year	3,606,196	3,915,489
At 31 August	<u>3,606,196</u>	<u>3,915,489</u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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Deferred income consists of fees income received in advance. Deferred income of £nil (2024: £83,328) relates to a period of greater than one year.

16. BANK LOAN: classification of amounts falling due within one year and more than one year

	2025	2024
	£	£
Bank loan	4,039,206	5,184,222
	<u> </u>	<u> </u>
Wholly repayable within five years	1,965,311	2,170,599
Wholly repayable within more than five years	2,444,419	3,435,572
	<u> </u>	<u> </u>
	4,409,731	5,606,171
Less: Included in current liabilities	(370,525)	(421,949)
	<u> </u>	<u> </u>
Amounts included above	4,039,206	5,184,222
	<u> </u>	<u> </u>

There are two 15 year loans with Lloyds Bank plc secured by a charge over the assets of the Charity. One loan for £6,000,000 is at a fixed rate of 2.97% the second for £1,000,000 is at a rate of the Bank of England base rate plus 2.2% (this was repaid in full in the year ended 31 August 2025). These loans were made available to provide funding for the new studio block that was completed in November 2020.

17. ACCUMULATED FUNDS

	Opening Fund 2025 £	Income 2025 £	Expenditure 2025 £	Transfers 2025 £	Gains & losses 2025 £	Closing Funds 2025 £
Unrestricted general funds	6,717,607	11,754,662	(11,757,138)	-	-	6,715,131
- revaluation reserve	4,020,000	-	-	-	-	4,020,000
Designated reserves						
- bursaries	188,110	-	-	-	-	188,110
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total unrestricted funds	10,925,717	11,754,662	(11,757,138)	-	-	10,923,241
Restricted funds	2,741,637	218,836	(344,508)	-	-	2,615,965
Endowment funds	1,344,903	-	-	-	24,722	1,369,625
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds	15,012,257	11,973,498	(12,101,646)	-	24,722	14,908,831
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The general fund is the unrestricted reserves after allowing for all designated funds. The designated fund has been set up for the provision of bursaries.

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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Comparative analysis

	Opening Fund 2024 £	Income 2024 £	Expenditure 2024 £	Transfers 2024 £	Gains & losses 2024 £	Closing Funds 2024 £
Unrestricted general funds	7,299,987	10,990,009	(11,572,389)	-	-	6,717,607
- revaluation reserve	4,020,000	-	-	-	-	4,020,000
Designated reserves - bursaries	188,110	-	-	-	-	188,110
	<u>11,508,097</u>	<u>10,990,009</u>	<u>(11,572,389)</u>	<u>-</u>	<u>-</u>	<u>10,925,717</u>
Total unrestricted funds	11,508,097	10,990,009	(11,572,389)	-	-	10,925,717
Restricted funds	2,893,984	197,121	(349,468)	-	-	2,741,637
Endowment funds	1,201,952	-	-	-	142,951	1,344,903
	<u>15,604,033</u>	<u>11,187,130</u>	<u>(11,921,857)</u>	<u>-</u>	<u>142,951</u>	<u>15,012,257</u>
Total funds	<u>15,604,033</u>	<u>11,187,130</u>	<u>(11,921,857)</u>	<u>-</u>	<u>142,951</u>	<u>15,012,257</u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds 2025 £	Revaluation Reserve 2025 £	Designated Reserves 2025 £	Restricted Funds 2025 £	Endowment Funds 2025 £	2025 Total £
Tangible fixed assets	11,491,050	4,020,000	-	2,073,126	-	17,584,176
Investments	-	-	-	62,286	1,407,625	1,469,911
Net current assets	(736,713)	-	188,110	480,553	(38,000)	(106,050)
Long Term Liability	(4,039,206)	-	-	-	-	(4,039,206)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2025	6,715,131	4,020,000	188,110	2,615,965	1,369,625	14,908,831
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**Comparative
Analysis**

	General Funds 2024 £	Revaluation Reserve 2024 £	Designated Reserves 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	2024 Total £
Tangible fixed assets	12,364,267	4,020,000	-	2,177,481	-	18,561,748
Investments	-	-	-	62,286	1,382,903	1,445,189
Net current assets	(379,110)	-	188,110	501,870	(38,000)	272,870
Long Term Liability	(5,267,550)	-	-	-	-	(5,267,550)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2024	6,717,607	4,020,000	188,110	2,741,637	1,344,903	15,012,257
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

19. ANALYSIS OF MOVEMENTS IN RESTRICTED FUNDS:

	Balance at 1 September 2024	Income	Expenditure	Transfer	Balance at 31 August 2025
	£	£	£	£	£
ALW Foundation	2,177,481	-	(104,355)	-	2,073,126
The ArtsEd Student Fund	23,195	-	(10,590)	-	12,605
The ArtsEd Scholarship Fund	-	49,873	(84,726)	43,761	8,908
Bursary fund	20,566	-	-	-	20,566
Capital campaign	397,872	-	-	-	397,872
Chris Hornby Fund	9,370	3,125	(5,000)	-	7,495
The CMF Scholarship Fund	1,085	-	-	-	1,085
Guildford Academic Associates	1,327	-	-	-	1,327
Leverhulme Trust	1,650	103,600	(99,887)	-	5,363
Restoration levy	40,778	-	-	-	40,778
Spencer Will Trust	1,091	-	-	-	1,091
TAP	7,636	14,342	-	-	21,978
Graham Martin Memorial Excellence Award	1,611	-	(1,950)	339	-
Hardship fund	-	250	-	-	250
Friends Giving	44,700	9,646	-	(44,100)	10,246
	<u>2,741,637</u>	<u>218,836</u>	<u>(344,508)</u>	<u>-</u>	<u>2,615,965</u>

-The Andrew Lloyd Webber Foundation donated £3.5million to the Schools to fund a major refurbishment project. The funds were received in the three years ended 31 August 2012, 2013 and 2014. The money was spent to improve four key areas: the main theatre, costume storage, the film and television studios and disabled facilities. At the end of October 2013 when the work was virtually complete, the expenditure was transferred to fixed assets and from that date is being depreciated and included under expenditure.

- The ArtsEd Student Fund- This was set up to accommodate student hardship.

- The ArtsEd Scholarship Fund is used to provide scholarships.

- The Bursary Fund is used to provide bursaries.

- The Capital Campaign is used to help fund significant capital projects.

- The Chris Hornby Fund was created to award an annual scholarship to a Musical Theatre student.

- The CMF Charitable Trust donated towards a scholarship for a Musical Theatre student.

- Leverhulme Trust made a donation for the provision of higher education bursaries.

- The donation from Guildford Academic Associates is for a bursary fund for the Musical Theatre students.

- The restoration levy arose from a £1 charge on every box office ticket (during the period of the studio redevelopments) which was put towards maintenance of the building.

- The Spencer Will Trust donated £5,000 towards equipment for the Film and TV department.

- The TAP fund consists of donations made to the Charity by the Day School and Sixth Form parent's association, to be applied towards hardship purposes.

- Excellence Award: a donation of £1,000,000 was made in 2015-16 which is to be used to provide awards for exceptionally talented Musical Theatre students.

- The Graham Martin Memorial Fund is a bursary fund for HE students.

- The hardship fund is to assist students during a period of financial hardship.

- The Friends Giving fund is a bursary fund for HE students (transfer made to scholarship fund, a fund for the same purpose).

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20. ANALYSIS OF MOVEMENTS IN ENDOWMENT FUNDS:

	Balance at 1 September 2024	Income	Expenditure	Gains and losses	Balance at 31 August 2025
	£	£	£	£	£
Musical Theatre bursary fund	1,344,903	-	-	24,722	1,369,625
	<u>1,344,903</u>	<u>-</u>	<u>-</u>	<u>24,722</u>	<u>1,369,625</u>
	<u><u>1,344,903</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>24,722</u></u>	<u><u>1,369,625</u></u>
Comparative Analysis					
	Balance at 1 September 2023	Income	Expenditure	Gains and losses	Balance at 31 August 2024
	£	£	£	£	£
Musical Theatre bursary fund	1,201,952	-	-	142,951	1,344,903
	<u>1,201,952</u>	<u>-</u>	<u>-</u>	<u>142,951</u>	<u>1,344,903</u>
	<u><u>1,201,952</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>142,951</u></u>	<u><u>1,344,903</u></u>

21. CAPITAL COMMITMENTS

At 31 August 2025, capital expenditure contracted for but not provided in these accounts amounted to nil (2023: £nil).

**THE ARTS EDUCATIONAL SCHOOLS
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22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net movement in funds	(103,426)	(591,776)
Depreciation charges	702,504	737,383
Gains on revaluation of investments	(24,722)	(142,951)
Interest receivable	(73,611)	(97,943)
Interest payable	189,158	214,171
Dividends receivable	(38,000)	(38,000)
Increase in debtors	(463,709)	(156,455)
Capital goods scheme	426,492	-
(Decrease)/increase in creditors	(231,390)	889,161
	<u> </u>	<u> </u>
Net cash provided by operating activities	383,296	813,590
	<u> </u>	<u> </u>

23. ANALYSIS OF CHANGE IN NET DEBT

	At		Movement	At
	1 September	Cash flows	due within	31 August
	2024	£	and after	2025
	£	£	one year	£
Cash at bank	4,098,223	(1,042,115)	-	3,056,108
Cash held within investments	38,000	-	-	38,000
Debt due within one year	(421,949)	-	51,424	(370,525)
Debt due after one year	(5,184,222)	1,196,440	(51,424)	(4,039,206)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	(1,469,948)	154,325	-	(1,315,623)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

24. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2025, the charitable company had future minimum lease commitments under non-cancellable operating leases as set out below:

	Assets other than land & buildings	
	2025	2024
	£	£
Within 1 year	32,036	34,978
Within 2 – 5 years	7,437	39,473
	<u> </u>	<u> </u>
	39,473	74,451
	<u> </u>	<u> </u>

THE ARTS EDUCATIONAL SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

25. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE 2024 FINANCIAL YEAR

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Endowment Funds 2024 £	Total Funds 2024 £
INCOME FROM:					
Donations and legacies	2	25	159,121	-	159,146
Charitable activities					
Fee income	3	10,101,653	-	-	10,101,653
Other income	4	790,388	-	-	790,388
Investment income		97,943	38,000	-	135,943
TOTAL INCOME		<u>10,990,009</u>	<u>197,121</u>	<u>-</u>	<u>11,187,130</u>
EXPENDITURE ON:					
Raising funds		(54,071)	-	-	(54,071)
Charitable activities		(11,518,318)	(349,468)	-	(11,867,786)
TOTAL EXPENDITURE	5	<u>(11,572,389)</u>	<u>(349,468)</u>	<u>-</u>	<u>(11,921,857)</u>
NET EXPENDITURE BEFORE INVESTMENT GAINS		<u>(582,380)</u>	<u>(152,347)</u>	<u>-</u>	<u>(734,727)</u>
Net gains on investments		-	-	142,951	142,951
NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS		<u>(582,380)</u>	<u>(152,347)</u>	<u>142,951</u>	<u>(591,776)</u>
Transfers		-	-	-	-
NET MOVEMENT IN FUNDS		<u>(582,380)</u>	<u>(152,347)</u>	<u>142,951</u>	<u>(591,776)</u>
Funds brought forward at 1 September		11,508,097	2,893,984	1,201,952	15,604,033
TOTAL FUNDS AT 31 AUGUST		<u><u>10,925,717</u></u>	<u><u>2,741,637</u></u>	<u><u>1,344,903</u></u>	<u><u>15,012,257</u></u>

**THE ARTS EDUCATIONAL SCHOOLS
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26. COMPARATIVE ANALYSIS OF MOVEMENTS IN RESTRICTED FUNDS FOR THE 2024 FINANCIAL YEAR:

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfer £	Balance at 31 August 2024 £
ALW Foundation	2,315,247	-	(137,766)	-	2,177,481
The ArtsEd Student Fund	27,677	-	(4,482)	-	23,195
The ArtsEd Scholarship Fund	10,995	40,705	(65,462)	13,762	-
Bursary fund	20,566	-	-	-	20,566
Capital campaign	397,872	-	-	-	397,872
Chris Hornby Fund	7,086	4,784	(2,500)	-	9,370
The CMF Scholarship Fund	1,085	-	-	-	1,085
Guildford Academic Associates	1,327	-	-	-	1,327
Leverhulme Trust	-	99,750	(98,100)	-	1,650
Restoration levy	40,778	-	-	-	40,778
Spencer Will Trust	1,091	-	-	-	1,091
TAP	7,636	-	-	-	7,636
Graham Martin Memorial	4,111	-	(2,500)	-	1,611
Excellence Award	13,933	38,000	(38,658)	-	13,275
Friends Giving	44,580	13,882	-	(13,762)	44,700
	<u>2,893,984</u>	<u>197,121</u>	<u>(349,468)</u>	<u>-</u>	<u>2,741,637</u>

Please refer to note 19 for details of each of the restricted funds.